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The Senior Employee Problem

1. The senior employee problem consists mainly in the fact that certain long-time employees have reached a point where diminishing returns to the Agency are in prospect or certain other employees have simply outlived their usefulness so far as Agency employment is concerned.

2. Parts of the Agency have declared such personnel surplus in their forties; however, most personnel work efficiently through their mid-fifties to early sixties and some beyond that. Since employees in these age brackets are close to the age where they can qualify for retirement pay in the near future, fruitful steps might be taken at reasonable cost, to permanently resolve the problem to the satisfaction of everyone concerned.

3. It is apparent that Civil Service regulations and procedures are too restrictive to solve the problem; a program granting funds, positions, and administrative latitude is required to facilitate a satisfactory solution.

4. The program might be called the "Senior Employee Program." The primary objective of the program would be the earlier retirement of employees in, principally, the 55-65 year age group but covering earlier retirement as required; the secondary objective would be lateral shifting of upper grade personnel in the same age group to permit optimum assignment to command and/or management positions.

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5. The procedures and devices necessary to carry out the program could include, but are not necessarily restricted to the following:

- (a) Lump-sum payments to personnel being released; this would apply largely to personnel under 50.
- (b) Purchase of a retirement income policy covering ages, as required, from mid fifties to age 62 by means of contributions by both the employee and the Agency.
- (c) Establishment of a senior employees preference outline, similar to the career preference outline, executed at 60 or even earlier.
- (d) Provisional employment, on a part time basis, of separated senior employees in the many Agency-external contracts.
- (e) Training of senior employees for retirement occupations at Agency expense.
- (f) A regulation permitting reassignment, for a term, of senior employees, to positions within three grades of their position without loss of pay.
- (g) Establishment of an Agency reserve system.
- (h) Others, as required.

6. Sample case histories of the program in operation may be as follows:

- (1) Long time employee X - Age 45, upper grade, back from O/S with no prospect of reassignment in the foreseeable future is returned to the inactive reserve with a terminal leave check plus a lump-sum payment of one month's pay for each year of service. He can be recalled to active duty, as required.

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(2) Long time employee Y- Age 50, usually assigned overseas is becoming increasingly difficult to assign because of personnel or physical reasons. One more tour of duty overseas seems feasible plus a tour stateside. A contract for this is signed covering a five year period. A private retirement policy through GEHA, yielding limited income for the years 55 to 62 is purchased over the 5-year period with the employee and Agency each paying half. Retirement to the inactive reserve takes place at age 55. At age 62 the income policy expires and civil service retirement is payable.

(3) Long-time employee Z- Age 60 executes a senior employee preference outline indicating: (a) full employment thru age 62; (b) separation at age 62 with part time Agency contract work through age 65; (c) Training in a foreign language and a certain subject to enable the contract work; and (d) retirement to the reserve at age 65. Employee Z qualifies for civil service retirement commencing at age 62.

(4) Long term employee - A, GS-14, Branch Chief, age 60 is having difficulty meeting the many demands of his management responsibilities; he is reassigned to the working level in a GS-11 position, in a subject he is expert at, with the pay of a GS-14, with no charge of the T/O position to the employing Unit. (He is carried in a Senior Employee Position). This continues provisionally at the convenience of the agency until retirement to the reserve, with civil service retirement pay.

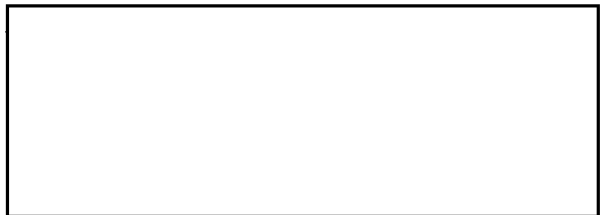
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7. The program, of course, could accommodate many changes and additions to those suggested above with cost maintained at a fraction of the amount involved in unplanned retention of senior employees by the Agency. Positions for the Program could be requisitioned on a basis of present assignment of senior employees, blanket percentages versus needs indicated by Office of Personnel survey, or many other recognized methods.

8. It is possible that many personnel would retire earlier if they were financially able, if they knew how to, or if inducement were offered; retirement is a fact of life and is well provided for, officially. Preparation for retirement, on the other hand, though equally important is completely ignored, officially. The program is conceived to fill this gap. Materially easing the impact of retirement is a prime prerequisite for successful operation of the program.

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